



NEW HEALTH INSURANCE MARKETPLACES FOR INDIVIDUALS

Enrollment Begins October 1, 2013; Coverage Begins January 1, 2014

NEW ONLINE MARKETPLACES FOR INDIVIDUALS

- Beginning in 2014, a new “Health Insurance Marketplace” in each state will operate two components: a Health Insurance Marketplace for individuals and a Small Business Health Options Program (or SHOP) for small businesses.
- With the Health Insurance Marketplace for individuals, beginning on January 1, millions of Americans will have new access to affordable private health insurance coverage. The new Marketplaces will serve Americans who buy their own coverage or currently have no coverage at all.
- The Marketplaces will provide individuals and families a choice among numerous quality private health insurance plans; and will also make premiums affordable through sliding-scale premium tax credits.
- Every health insurance plan in the new Marketplaces will offer comprehensive coverage, from doctors to medications to hospital visits.
- Individuals will be able to compare all of their insurance options based on premiums, benefits, quality and other features important to them.
- There will be one Marketplace in each state. In some states, the Marketplaces will be run by the state itself; in others, they will be run by the federal government.
- The vast majority (over 80%) of Americans, who have coverage through their employer or through such programs as Medicare and Medicaid, will not purchase insurance through the new Marketplaces.

THOSE IN THE MARKETPLACES WILL HAVE BETTER BENEFITS THAN VIRTUALLY EVERYONE BUYING INSURANCE IN THE INDIVIDUAL MARKET TODAY

- Many buying insurance in the individual market today have inadequate coverage, leaving them vulnerable to high medical bills even when they are insured. Indeed, many in the individual market currently have bare bones policies that exclude such things as mental health, maternity care and prescription drugs.
- By contrast, in the Marketplaces, all health plans will have all essential benefits, including hospital visits, doctor visits, prescription drugs, emergency services, pediatric services, mental health and substance use disorder services, and maternity and newborn care.
- Unlike in today’s market, there will be coverage that is actually there for people when they need it.
- All health plans will also have coverage of key preventive services with no cost-sharing.
- Furthermore, all health plans in the Marketplaces will have a cap on total out-of-pocket spending – providing critical new protection for millions of Americans.

IN THE MARKETPLACES, HEALTH INSURANCE COMPANIES WILL COMPETE ON A LEVEL PLAYING FIELD, PROMOTING COMPETITION

- The Marketplaces will ensure that individuals and families can make an apples-to-apples comparison of the costs and benefits between the various private health insurance plans offered. Information on the premiums, deductibles, and out-of-pocket costs of the various plans will be available before individuals and families decide to enroll, so they will know what they are buying.

- All Qualified Health Plans offered in the Marketplaces are required to meet basic standards, including quality standards, consumer protections, and access to a range of doctors and clinicians.
- All information about the plans in the Marketplaces must be in plain language that is easily understood.

PREMIUM TAX CREDITS WILL MAKE COVERAGE IN THE MARKETPLACES AFFORDABLE

- It is estimated that more than 85 percent of those buying coverage in the Marketplaces will qualify for premium tax credits.
- The tax credits are provided immediately and directly to the health plan chosen by individuals and families, immediately lowering what individuals and families pay for their monthly premiums.
- Tax credits will be available for individuals and families with incomes between 100% to 400% of the federal poverty level (between \$23,500 to \$94,200 for a family of four in 2013) who are not eligible for Medicaid, employer-sponsored insurance, or other acceptable coverage. The credit is reduced as individual and family income increases, phasing out at 400% of the poverty level.
- To help make coverage affordable, the sliding-scale credits limit individual family spending on premiums for the essential benefit package to no more than 2.0% of income for those with the lowest incomes and phasing up to no more than 9.5% of income for those at 400% of poverty.
- In addition to these premium tax credits, individuals and families with incomes up to 250% of the federal poverty level (\$58,875 for a family of four in 2013) are also eligible for reduced cost sharing, to help them afford the insurance coverage they bought through the Marketplaces.

IN THE MARKETPLACES, AMERICANS WITH PRE-EXISTING HEALTH CONDITIONS CAN NO LONGER BE DENIED COVERAGE AND PREMIUMS WILL BE FAIR

- In the marketplaces, all Americans, including both adults and children, can no longer be denied coverage for having a pre-existing health condition.
- In the Marketplaces, individuals can also no longer be charged higher rates for having or developing a pre-existing health condition, leading to more fair and stable premiums.
- Women can no longer be charged higher premiums than men for the same coverage.
- Insurance companies can only vary premiums based on age by a maximum of a 3-to-1 ratio.

IN THE MARKETPLACES, THERE WILL BE CONSUMER ASSISTANCE AND ENROLLMENT HELP

- Individuals and families will be able to apply for enrollment in the Marketplace in numerous ways, including: online, by phone, by mail, or in person.
- The help available in each Marketplace to help individuals and families choose the best private health plan for them will include:
 - A toll-free call center;
 - A website with plan comparison tools;
 - Navigators, such as community-based organizations;
 - In-Person Assistants (in some states); and
 - Agents and brokers (in most states).